### Office, Assistant Secretary of the Army (ALT) SUMMARY OF ACTION ACTION OFFICER: Janet Littlejohn SUSPENSE DATE: OFFICE SYMBOL: SAAL-SCS THRU: AAE PHONE NO: 604-7242 DATE/TIME: 05-02-2003 CONTROL NO. THRU: MILDEP 30501864 SUBJECT: HMMWV Recapitalization Program Baseline (RPB) RECOMMENDATION: Army Acquisition Executive (AAE)/ Vice Chief of Staff, Army (VCSA) approve and sign the SUMMARY OF ACTION: The Recapitalization Program Baseline (RPB) describes cost, schedule and performance objectives for the HMMWV Recapitalization Plan approved by the VCSA on 19 Oct 01. The 7 Oct 01 letter from LTG Caldwell tasked PEO to comply with the RPB guidance and obtain the required coordination from the Major Subordinate Command along with the Army Cost and Economic Analysis Center (CEAC). PEO Combat Support/Combat Service Support (CS/CSS) conducted a decision review of the HMMWV Recapitalization Program and approved it pending final approval of the RPB by the AAE and VCSA. TAB A - AAE/VCSA approval letter TAB B - RPB TABIC - MILIDEP Recapitalization Guidance Letter/ PEO CS/CSS approval letter TAB D - Army Cost and Economic Analysis Center (CEAC) validation letter TAB E - Info paper on FY04-09 program decrement. **MILITARY DEPUTY ACTION** ☐ [Approved] Recommend Approvati ☐ Approved ☐ Disapproved [Disapproved] [Recommended Disapproval] PSM Noted ☐ PSM Noted

COORDINATION						APPROVALS									
CC	NCC	OFFICE	NAME	PHONE		APPR	DIŞAPPR	INITAL	DATE						
х		ogc	COL Karl E-Icessor √	697 1406	√ó€P	1	<del> </del>	13	<del> </del>						
х		DALO-DPL	Ms. Leven Eguyen	614-1*97	ASST DEP	<del>                                     </del>			<del> </del>						
x		PEO CS/CSS	Mary Quin	586-574-5675	DEP XO			Ji.	BMA:53						
х		SAAL-SI	Paul Barry	514-4540	DIR (SCS)	<del>                                     </del>		<del>                                     </del>							
x		SAAL,	LTC Brian Shoop	614-3750	DIR (SAAL-SI)	~		nw	8Maya						
×		G8-FDL	Mr. Gene Summerlin	604-3001				<b> </b>							
X		ZPB		604-7006					}						
CC = Con MS Word	SAAL FO		C = Nonconcurr	APPR = Approve	q	DISAPP:	= Disapprove	d	<u> </u>						

Comments:

Version Dated 20 February 2003

Comments:

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### DEPARTMENT OF THE ARMY Executive Communications and Control

2 June 2003

3 VCSA 5 JUN 7093 2 DAS 1415 C7/06/03 1 Dir, EGO 4 C706 4 LTC E. Turner, 695-7922

**SUBJECT:** HMMWV Recapitalization Program Baseline (RPB)

1. TYPE ACTION: ACTION AGENCY: SIGNATURE ASA(ALT)

- 2. **DISCUSSION:** ASA(ALT), in coordination with G4, requests approval (**Next Under**) of the HMMWV RPB.
  - (a) This action requires the PEO and Project Manager to execute all rebuilds for the HMMWV in accordance with the funding and schedule baselines documented in the RPB.
  - (b) The RPB will provide the basis for sound management and historical record from which to measure success.
- 3. COORDINATION: G4
- 4. **RECOMMENDATION:** VCSA sign memo at **TAB 1**.

SIGNEDAPPROVED VCSA

SEE NOTE: #30600235



THRU: ARMY ACQUISITION EXECUTIVE

FOR: VICE CHIEF OF STAFF, ARMY

SUBJECT: High Mobility Multipurpose Wheeled Vehicle

(HMMWV) Recapitalization Program Baseline

(RPB) Approval

The enclosed subject memorandum is provided for both the Army Acquisition Executive (AAE) and the Vice Chief of Staff, Army (VCSA) signatures (Enclosure 1). The HMMWV RPB obtained the required documentation and coordination from the Army Staff.

The HMMWV program has a Program Objective Memorandum Fiscal Year 2004-2009 Operations and Maintenance, Army decrement culminating in the adjustment of the HMMWV Recapitalization program quantities. The enclosed Executive Summary details the changes to the AAE/VCSA Recapitalization Program Decision (Enclosure 2).

Very respectfully,

John S. Caldwell, Jr.

LTG, GS

**Enclosures** 

#### DEPARTMENT OF THE ARMY WASHINGTON, D.C. 20310

5 JUN 2003

SAAL-SI

### MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: High Mobility Multipurpose Wheeled Vehicle (HMMWV) Recapitalization Program Baseline (RPB) Approval

The Program Executive Officer (PEO) conducted a Decision Review of the HMMWV Recapitalization Program and validated it pending final approval of the RPB by the Army Acquisition Executive and the Vice Chief of Staff, Army. The HMMWV RPB (Tab A) is submitted for review and approval by the Army Acquisition Executive and the Vice Chief of Staff of the Army. The November 7, 2001, memorandum (Tab B) from LTG Caldwell tasked the PEO to comply with the RPB guidance. The memorandum (Tab C) from the Cost & Economic Analysis Center validates the methodology used for the Recapitalization cost estimate.

In accordance with the Army Recapitalization Management Policy. HMMWV RPB, dated January 2002, is approved for implementation. The PEO and Project Manager will execute all rebuilds for the HMMWV in accordance with the funding and schedule baselines documented in the RPB. The RPB will provide the basis for sound management and historical record from which to measure success.

It is imperative that we work together and establish close partnerships at all levels to ensure success. Our warfighters depend on this recapitalization effort to maintain system readiness, sustainability, and combat overmatch as we transform the Army.

The point of contact for this matter is Ms. Janet Littlejohn, 703-604-7242. or e-mail: janet.littlejohn@saalt.armv.mil.

Army Acquisition Executive

JOHN M. KEANE General, U.S. Army Vice Chief of Staff, Army

Enclosures



### DISTRIBUTION:

ASSISTANT SECRETARY OF THE ARMY (ACQUISITION, LOGISTICS AND TECHNOLOGY), ATTN: SAAL-ZR, SAAL-RP

ASSISTANT SECRETARY OF THE ARMY (FINANCIAL MANAGEMENT AND COMPTROLLER), ATTN: SAFM-BUI

GENERAL COUNSEL, ATTN: SAGC

DEPUTY CHIEF OF STAFF FOR LOGISTICS, ATTN: DALO-SM

DIRECTOR, PROGRAM ANALYSIS AND EVALUATION, ATTN: DACS-DPZ-A DIRECTOR, U.S. ARMY COST AND ECONOMIC ANALYSIS CENTER, ATTN: SAFM-CA-ZA

### **COMMANDERS**

U.S. ARMY MATERIEL COMMAND, ATTN: AMCRDA-AM
U.S. ARMY AUTOMOTIVE-ARMAMENTS COMMAND, ATTN: AMSTA-CG

PROGRAM EXECUTIVE OFFICER, COMBAT SUPPORT/COMBAT SERVICE SUPPORT, ATTN: SFAE-CSS

#### **EXECUTIVE SUMMARY**

DATE: 5 May 2003

SUBJECT: Validated HMMWV Recapitalization Program Baseline (RPB)

RECOMMENDED ACTION: Recommend Concurrence with CEAC Assessment and Final Approval of the RPB.

SITUATION: The purpose of this summary is to gain your final approval of the validated HMMWV Recapitalization Program Baseline.

### DISCUSSION:

The HMMWV RPB was signed by the Project Manager for Light Tactical Vehicles and approved by the PEO CS&CSS on 23 January 2002 pending validation by the Cost and Economic Analysis Center (CEAC). CEAC reviewed the cost estimating methodology used in the HMMWV RBP and validated the baseline methodology on 5 March 2003. During the interim between the time that the PEO approved and CEAC validated the baseline, the following changes were made to the RPB:

- ASA(ALT) directed that new production funding and quantities be incorporated into the HMMWV RPB. This change is reflected in the baseline funding chart found on page 1 of the RPB.
- Approximately \$3M was removed from the HMMWV Recap program resulting from a Recap GOWG decision to limit repair Unit Funded Cost (UFC) to an FY02 constant dollar threshold of \$25k. This change is reflected in the baseline schedule found on page 2 of the RPB.
- Red River Army Depot was identified as an organic source of repair contingent upon their ability to meet the AAE/VCSA imposed CAIV threshold. RRAD has also expressed an interest in partnering with industry on some or all of the remaining workload. This change is reflected in the baseline interfaces found on page 4 of the RPB.

As your proponent on HMMWV Recapitalization issues, I recommend you approve the CEAC validated baseline for HMMWV Recapitalization, and forward it to the AAE for signature.

1/s//

Vincent F. Malone Major, U.S. Army APM, HMMWV Recapitalization

### Recapitalization Program Baseline for the High Mobility Multipurpose Wheeled Vehicle (HMMWV)

With the objective of enhancing program stability and controlling cost growth, we, the undersigned, approve this HMMWV Recapitalization baseline document pending validation by the Cost Analysis and Economic Analysis Center (CEAC). Our intent is that the program be managed within the programmatic, scheduling and financial constraints identified herein. We agree to support the required funding in the Planning, Programming and Budgeting System (PPBS).

This baseline is a summary and does not provide detailed program requirements or contents. It does, however, contain the important performance, schedule, and cost parameters that are the basis for satisfying an identified mission need.

### Recapitalization Program Baseline (RPB) for the High Mobility Multipurpose Wheeled Vehicle (HMMWV)

- 1. Program Description: On 19 October 2001, the Vice Chief of Staff, Army (VCSA) approved the Focused Recapitalization plan for the HMMWV. The approved program will recapitalize 4,307 vehicles in select units through a rebuild of the engine and drivetrain and focused component inspect, repair and replace effort. The result of this focused recapitalization effort is a vehicle with an extended service life that is like-new in appearance and performance.
- 2. Baseline Funding: HMMWV Recapitalization is an OMA funded program. The recapitalization funding profile in **Table 1** was approved by the VCSA on 19 October 2001. The recapitalization team placed the HMMWV recapitalization OMA funds in the RR21 MDEP to ensure that the resources required for execution of the program were identified and protected.

	FY02	FY03	FY04	FY05	FY06	FY07	POM	FY08	FY00	FY10	FY11	FY12	FY13	FY14	FY15	FY16	EPP .	Total
<u> </u>																•		
RDA (New Production)FPJB	148 63	196.78	140 98	219 68	295.35	338.98	1,340 40	547.00	739 88	352 12	358 60	366.49	374.55	382.79	0.00	0.00	3.121 43	\$4,461.83
RDTE (Recap Only)	0.00	0.00	0 ng	0.00	0.00	0.00	0.00	0 00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8.00	0.00	\$0.00
PA (New Production) FPJ8	148.63	190.78	140.98	219 68	295 35	338 98	1340.40	547 00	739 88	352.12	358 60	366 49	374.55	382.79	0.00	0.00	3121 43	\$4,461.83
Weapon Systems (est)	140.97	188.52	132.59	211,15	287.06	330 49	1290.78	538.34	730.93	342.90	349.46	357.18	365.06	373 12	6 00	0.00	3056 99	\$4,947.77
Training Devices (es1)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.00
Initial Spares (est)	0.06	90.0	0.08	0.06	0.10	0.14	0.51	0.16	C.28	0.39	0.14	0.14	0.15	0.15	0.00	0.00	1,41	\$1.92
STS (est)	7.60	8.20	8 30	8 47	8.19	8.35	49 11	8.50	6 67	8 83	9.00	9.17	9.34	9.52	0.00	0.00	63.03	\$112.14
Mods in Svc	0.00	0.00	0.00	0.00	O DO	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.00
	- 1				-													
OMA (Recap Only)	0.000	0.02	32 66	31.38	32.60	33.83	131 40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$131.40
Depot Maintenance	0.000	0.42	29.87	28 63	29.64	30.76	119.22	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Ø 00	\$119.22
\$STS	0.000	0.50	0.00	0.00	0.00	0.00	0.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.50
SDO	0.000	0.00	0.98	1.00	1.04	1.08	4 09	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$4 09
SDT	0.000	0.00	1.81	1.85	1.92	1 99	7.57	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$7.57
PPSS	0.000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	<b>\$</b> 0.00
MWO	0.000	0.00	0.00	0.20	0 DO	0.00	9.00	0.00	0.00	0.00	0.00	C.00	0.00	0.00	0.00	0.00	0.00	\$0.00
Initial Spares	0.000	0.00	0.01	0.01	0.01	0.01	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.02
Support Equipment (TMDE)	0.00	0.00	0.00	0.00	0.00	0.00	C 00	0.00	0.00	0.00	0.00	000	0.00	0.00	0.00	0.00	0.00	\$0.00
Training Devices	0.00	0.00	0.00	0.00	0.00	3.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.00
CLS	0.00	0.00	0.00	0.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.00
Other	0.00	0 OO	0.00	0.00	0.00	C.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.00
Training	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.00
Manning	0.00	0.00	9 DC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.00
Munitions	0.00	0 00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.00
Installation Support Costs	0.00	9.00	0.00	0.00	C.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.00
484		1.							:			-			-			
Total Quantity	1,258	2 055	2.319	3.275	3,949	4,360	17.216	5.485	7,574	2.702	2,710	2.722	2.738	2.754	0	0	26,685	43.901
PA (New Production)	1.258	2.055	1.257	2,214	2,867	3 258	12,909	5.485	7.574	2.702	2.710	2,722	2,736	2.754	0	U	26,685	39 594
OMA (Recap)	0	0	1,362	1.061	1,082	1,102	4.307	0	0	0	0	0	С	٥	0	0	0	4.307
144, 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1				,								ا .						T-
Estimated FY03 Program Acquisitio	n Unit Co	st																\$2H 394 K

TABLE 1 - Baseline Funding/Unit Cost

### **3. Baseline Schedule: Table 2** presents the schedule for the HMMWV Recapitalization Program.

	FY02	FY03	FY04	FY05	FY06	FY07	Total
Funding (\$M)	0	0.919	32.664	31.379	32.602	33.832	131.396
Quantity	0	o	1,062	1,061	1,082	1,102	4,307

Table 2 – HMMWV Focused Recapitalization Baseline Schedule

**4. Performance:** The Army leadership will track the metrics outlined in **Table 3** to measure the effectiveness of the HMMWV Focused Recapitalization Program. The macro level metrics were formulated to be flexible and efficient performance measures. The Army Materiel System Analysis Activity (AMSAA) will exercise the process used to collect supporting empirical data at appropriate times to ensure all data elements required for the calculations are available.

Metric :	Objective Source of Data										
Formula	Performance Measures										
Maximize marginal return on	30% return on each top OSMIS, SDC, & FEDC										
recapped components	10 cost driver										
	The first calculation is made when the top 10 cost										
AC(B) $AC(R)$	drivers have 10 fleet wide failures each.										
$AMRC = \frac{AC(B)}{MTBR(B)} - \frac{AC(R)}{MTBR(R)}$											
MIBR(B) MIBR(R)	Final measurement is made when the top 10 cost										
	drivers have 30 fleet wide failures each.										
Where: AMRC = Average Marginal Return on Col	mponent (\$/HR)										
AC(B) = Average Cost of Baseline Comp	ponent										
AC(R) = Average Cost of Recapped Com	ponent										
MTBR(R) = Unscheduled Mean Time Bet	·										
MTBR(B) = Unscheduled Mean Time Bet	ween Removal - Baseline Component										
Park Track Stands											
Increase unscheduled MTBR for	20% increase. See OSMIS, SDC, & FEDC										
selected recapitalized components	performance measurement DA2410 database										
	The first calculation is made when the top 10 recapped										
$n \cdot (MTBR(R)_{i})$	components have 10 fleet wide failures each in the recap										
$\sum_{n=1}^{\infty} \frac{1}{n(n)} \left( \frac{1}{n} \right)$	fleet. Intermediatecalculations are made annually										
$MTRR = \frac{1}{i=1} \left( \frac{MIBK(B)_i}{MIBK(B)_i} \right) \times 100\%$	thereafter. Final measurement is made when all top 10										
1 171 1 171 =	recapped components have 30 fleet wide failures each.										
- "											
Where: MTBR = Percentage Change of Unsched	uled Mean Time Between Removal (%)										
MTBR(R) = Unscheduled Mean Time Be											
MTBR(B) = Unscheduled Mean Time Be											
N = Sum of Components	·										
Reduce Average Fleet-Life	7.5 years by 2010 HMMWV DD250										
selected recapitalized components	Spreadsheet										
	The goal is to ultimately achieve and maintain average age										
	of the fleet at or below one-half its expected service life.										
$AEI = \sum_{i=1}^{n} A_{i}$	'										
$AFL = \sum_{i=1}^{n} \frac{A_{i}}{N}$	The approved recapitalization plan will reduce the current										
i=1	baseline projection of 17.9 years (without recap) in FY10										
	to loss than 16.3 years vice goal of 7.5 years.										
Where: AFL = Average Fleet Life											
A = Age of vehicle in years based on DD	250 data										
N = Sum of vehicles in the fleet											

**Table 3 – Baseline Performance Table** 

5. Interfaces: The potential exists for a partnering of government facilities to achieve cost, schedule and performance objectives; none, however, currently exist. Several commercial companies have approached Red River Army Depot (RRAD) about the possibility of a depot/industry partnership for HMMWV Recapitalization. The advantages of these proposed agreements are still under consideration by RRAD. Should any such partnership agreements be executed, Table 4 (below) will be used to outline the major recapitalization responsibilities of each partner.

Depot/Industy Partnership	Agreements	Date of Signature/ Implementation	Relationship		Recap Initiative
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i :					

**Table 4 – Baseline Interfaces** 

# TAB – 1 (Approved Part Configurations)

Nomenclature	Stock Number	MUBR (miles)	New	Overhaul	IROAN
Operations & Support Cost Drivers					
Engine	2815-01-406-6675	67,639		X	
Tires	2610-01-333-7632	53,810	Х		
Differential	2520-01-291-2975	363,218		X	1
Distribution Box (Eng Elect Start Sys)	6110-01-463-9260		Х		
Generator - 100 Amp.	2920-01-407-0532	162,013	Х		
Door Assembly					Х
Transfer (Model 218)	2520-01-163-4999	155,665		X	
Battery	6140-01-446-9506	137,919	Х		
Fuel Pump	2910-01-326-9221	130,108			X
ldler Arm	2530-01-249-1577	35,873			Х
Readiness Drivers:					<del></del>
Engine	2815-01-406-6675	67,639		Х	
Starter	2920-01-168-7891	34,205			Х
Generator	2920-01-407-0532	162,013	Х		_
Power Steering Pump	2530-01-460-2439	48,476			Х
Radiator	2930-01-405-9885	129,700			Х
Grooved Pulley	3020-01-198-0633	132,674			Х
Transfer (Model 218)	2520-01-163-4999	155,665		X	
Wheel Spindle (Front)	2530-01-203-5746	108,965			Х
Wheel Spindle (Rear)	2530-01-203-5746	108,965			X
Fan Shroud	2930-01-317-5358	132,079			X
Other Items:					
Transmission	2520-01-161-2136	201,725		X	
Radiator	2930-01-405-9885	129,700			Х

**Approved Part Configurations** 

### **Approved Tracked Components**

The intent is to track the top ten cost and readiness drivers and not make a distinction between the two. The Components shown below will be tracked, but if faced with constraints, we would prioritize as follows:

- 1. Engine Cost driver, readiness driver, & mandatory overhaul item
- 2. Transfer Cost driver, readiness driver, & mandatory overhaul item
- 3. Differentials Cost driver, & mandatory overhaul item
- 4. Transmission Mandatory overhaul item
- 5. Fuel Pump Cost driver
- 6. Idler Arm Cost driver
- 7. Starter Readiness driver
- 8. Power Steering Pump Readiness driver
- 9. Radiator Readiness driver
- 10. Grooved Pulley Readiness driver
- 11. Wheel Spindles Readiness driver
- 12. Generator Cost & readiness driver (to be replaced by new)
- 13. Distribution Box Cost driver (to be replaced by new EESS)
- 14. **Battery** Cost driver (to be replaced by new)
- 15. Tires Cost driver (to be replaced by new)
- 16. Door Assembly Delete from list
- 17. Fan Shroud Delete from list



## DEPARTMENT OF THE ARMY OFFICE OF THE ASSISTANT SECRETARY ACQUISITION LOGISTICS AND TECHNOLOGY 103 ARMY PENTAGON WASHINGTON DC 20310-0103

REPLY TO ATTENTION OF SAAL-SI

0 7 NOV 2001

### MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Recapitalization Program Baseline

This memorandum sets forth guidance that should be followed to document and track the Army's Recapitalization effort. Enclosed is the template that will be used to develop and execute the individual systems Recapitalization Program Baseline. The Program/Project/Product Manager of the systems that have already been approved by the Army Acquisition Executive/Vice Chief of Staff, Army (AAE/VCSA) will be afforded 90 days from the date of this document to follow and complete the Recapitalization approval process laid out in this Recapitalization Program Baseline guidance. Future candidate systems that have not been seen by the AAE/VCSA will be afforded 60 days after an option is adopted, to complete the process of creating a baseline. All recapitalization systems will obtain validation, within afforded time frames, of the Baseline Cost Data, Cost Benefit Analysis and Trade Off Analysis from the Cost and Economic Analysis Center.

The point of contact for this matter is COL Jim Wells, DSN: 224-3993 or 703-614-3993.

JOHN S. CALDWELL, JR. Lieutenant General, GS

Military Deputy to the

Assistant Secretary of the Army (Acquisition, Logistics

and Technology)

Enclosure

DISTRIBUTION:

ASSISTANT SECRETARY OF THE ARMY (ACQUISITION, LOGISTICS AND TECHNOLOGY), ATTN: SAAL-ZR, SAAL-RP
ASSISTANT SECRETARY OF THE ARMY (FINANCIAL MANAGEMENT

AND COMPTROLLER), ATTN: SAFM-BUI



#### DEPARTMENT OF THE ARMY

PROGRAM EXECUTIVE OFFICE COMBAT SUPPORT & COMBAT SERVICE SUPPORT 6501 E. 11 Mile Road WARREN, MICHIGAN 48397-5000

REPLY TO ATTENTION OF

SFAE-CSS-LT

APR 6 1 2000

### **DECISION MEMORANDUM**

SUBJECT: HMMWV Recapitalization Program Baseline and Recapitalization Decision Review

- On 19 October 2001, the Vice Chief of Staff, Army (VCSA), approved the HMMWV Recapitalization Program. In accordance with Army Recapitalization Policy, the Project Manager for Light Tactical Vehicles prepared a Recapitalization Program Baseline (RPB), which I signed on 23 January 2002 pending validation by the Army Cost and Economic Analysis Center (CEAC).
- I have received and reviewed the CEAC validation letter and concur with the assessment. I hereby approve the amended RPB dated 23 January 2002 pending final approval of the same by the Army Acquisition Executive/VCSA.
- In addition, I have reviewed and concurred with the AAE/VCSA approved HMMVV Recapitalization Brief to include the cost benefit and tradeoff analysis.

ROGER A. NADEAU Brigadier General, USA Program Executive Officer

Combat Support & Combat Service Support



## DEPARTMENT OF THE ARMY OFFICE OF THE ASSISTANT SECRETARY FINANCIAL MANAGEMENT AND COMPTROLLER 109 ARMY PENTAGON WASHINGTON DC 20310-0109



REPLY TO: ATTENTION OF

SAFM-CES-U

0 5 MAR 2003

MEMORANDUM FOR THE PROGRAM EXECUTIVE OFFICER, COMBAT SUPPORT & COMBAT SERVICE SUPPORT, ATTN: SFAE-CSS-LT, WARREN, MI 48397-5000

SUBJECT: High Mobility Multipurpose Wheeled Vehicle (HMMWV) Recapitalization Baseline Cost Sufficiency Review

We have reviewed the cost for the HMMWV Recapitalization Baseline (represented in the attached table). Our review focused on the methodology used for the recapitalization investment cost estimate. We found the cost estimating methodology of the recapitalization baseline cost to be reasonable.

Per our agreement, Assistant Secretary of the Army Acquisition, Logistics and Technology ASA(ALT) will examine the potential savings of the program and any potential supportability issues in Phase II. These issues will need further review and validation through an established ASA(ALT) O&S working group.

Point of contact Mr. John Murray, DASA-CES-U, (703) 692-7408 or DSN 222-7408.

Encl

Robert W. Young

Deputy Assistant Secretary of the Army (Cost and Economic)

CF:

ASA (ALT), ATTN: SAAL-SI

### **HMMWV** Recap Funding

- transcitti	Pytta		Fros	PPOS	2704		POM	PYDA	770	EX.10					****	PYIS	977	Total
		120	1,92	201				MARKET A	1	e ap uith	1115		No.			190		45 100
DA (New Production)FP.M	140.53	100.18	140 106	219 68	255 35	339.98	1.340 40	547.00	759 88	352 12	356 60	388 40	374 55	382,74	0.00	0.00	3,121.43	\$4 40   U
ROTE (Recap Only)	9 90	0.00	0.00	0.00	6.00	Ø 00	0.00	0.96		0.00	0.00	0.00	00 0	0.00		0.00	0.00	500
PA (New Production) FPJB	148 61	195 75	140 96	719.69	295.35	338 99	1346 46	547.00	739 88	352.12	15.4 AO	166 49	374 55	382.79	6.00	0.00		34 401 #
Weapon Systems (451)	140 01	188 52	132.59	21115	283 98	3303.40	1290 78	538.34	130.53	342 90	344.48	35.7 18	386.00	373.12	0.00	0.00	3050 99	\$4.347.7
Training Devices (#87)	8 00	0.00	0.00	0.00	0.00	8100	8 99	0.00	0.00	0.00	0.00	0.00	Q (X)	0.00	0 00	0.00	0.00	\$0.0
Initial Spares (est)	0.00	0 (16)	0.00	0.05	0 10	17 14	651	0 16	0.58	G 74	4) 14	5 14	D 15	0.13	0.00	0.00	1.47	\$19
875 (##1)	7.60	B 20	<b>830</b>	8 47	8 19	R 35	49 11	0.50	3 157	8 53	9:00	917	9.34	9 52	0.00	0.00	63 (3)	5112.1
Mode in Syc	0 00	0.00	0.00	0.00	0.00	6 00	0.00	0.00	0.00	0.00	0.00	9.00	0.00	0.00	0.00	0.00	0.00	\$0.0
		l, en ei			0.0			100			7.3	4				100		
SMA (Recap Only)	0.000	0.92	32 66	31 38	32 60	33 83	15140	0.00	8 00	0.00	g:00	0.00	0.00	0.00	0.00	0.00	0 002	\$131.4
Depot Maintenance	0.000	0.47	29.07	28 53	29.64	30 78	119 22	0.00	D-0X1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50	\$119.2
5575	0.000	0.50	0.00	0.00	9.00	000	0.50	0.00	0.00	9.00	0.00	0.00	0.00	D. Calif	200	0.00	0.00	\$0.5
800	0.000	0.00	0.98	1.00	1 04	1 06	4 09	0.00	Q 90	0.00	0 00	er each	ÇI EDÇI	(1 £M)	9,00	G (20)	ti.us	\$4.0
5QT	0.000	0.00	Y AT	1 85	1 92	1.96	7,57	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8 00	4.00	0.00	\$7.5
PPSS	0.000	0.00	00.00	0.00	êr DKI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0 00	0.00	0.00	\$0 a
MWO	5 000	0.00	0.00	0.00	0.00	0.00	n dia	0.00	0.00	0.00	8 00	0.00	17 DØ	O (ti	0.60	0.00	98.0	\$0.0
initial Bracus	0.000	0.00	Q D t	0.01	0.01	0.01	0.02	0.00	0.00	ra (sc)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.0
Support Equipment (7 MDE)	0.00	6 7973	0.00	0.00	0.00	0.00	0.00	o ter	n nn	0 (%)	0.00	000	7,00	pno	0.00	0.00	0.00	\$0.0
Training Devices	0.00	0 00	0.90	0.00	Q (T)	00.0	Q.OX	000	0.00	2.00	0.00	0.00	0.00	0.00		0.00		\$0.0
CLS	0.00	0.00	0.00	0.00	<b>20</b> 0	9.00	00	9.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0 00	\$0.0
Other	500	0.00	0.00	0.03	0.00	0.00	0,00	0.00	0.00	0.00	0.00	0.00	⊄:00	060	0.00	0.00	0.00	\$0.0
Trauning	0.00	0.90	11.00	0.00	0.00	0.90	0.00	0.00	5,00	0.00	0 130	0.00	0.00	0 (6)	0 00	0.00	0.00	\$00
Manning	0.00	0.00	(2.50)	0.00	Ø 00	0.00	0.00	D 00	0.00	0.00	0.00	0.00	Ø D0	Ditt	0.00	0.00		\$13 C
Munitions	0.00	0.00	0.00	000	000	a 00	0.00	0.00	0.00	0.00	\$,100	0.00	0.00	900	0.00	0.00	0.00	Sal
installation Support Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	ŏ 00		0.00	0.00	0.00	0.00	1		J	\$0.0
	7. dir		7.81	A	w tota	Digital .	1 4 4	10.50		100	W.	21	elente di	erd la del	1		-10 t -1	
Total Quartity	1 258	2 055	2.319	3 275	3 946	4 300	17,211	5 400	7.574	2.100	2.710	2.122	2.738	2.75		0	26 555	43.60
PA (New Production)	1.25B	2 0455	1 257	2.214	2.867	3 256	12.50	5.445	7 574	2 702	2,710	2.727	2 738	2,754	· ·	t	28 555	39 59
OMA (Recep)	Ü	ė	1.082	1,961	1,062	1,402	4,307	1 .			0	1		- 0	1 0	i c	·	4 37
	4.	V 9477	. 44					***	* 1 P1			1	* ***		10	***		
Estimaten FYD3 Program Acquisitio	a Link Co	61																\$78.394